

GOT ENOUGH TO RETIRE?

RETIREMENT

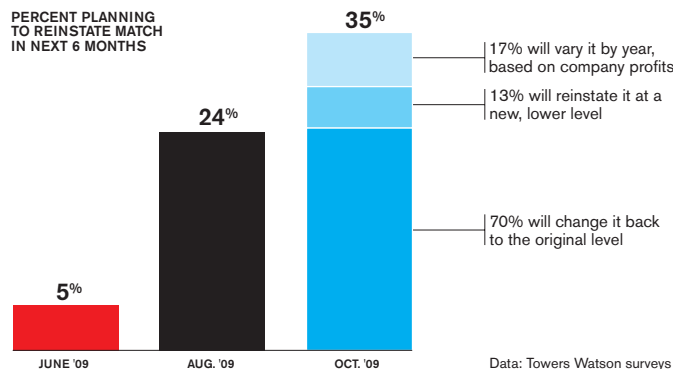
401(k) OUTLOOK

By Amy Feldman

It's easy to obsess about investment returns, but the key to retirement is simple: **Save**. To live comfortably, you need to start early and set aside at least 10% of your income each year (including any company match). The good news: After being axed in the downturn, 401(k) matches are creeping back, making the 10% target easier to reach.

BRINGING BACK THE MATCH

Large numbers of companies—25%, in one survey—eliminated or reduced their 401(k) matching contributions after the economic crisis began. Now those companies are starting to bring the match back.



PERSISTENCE PAYS

How long does it take to recover from a market crash? If you keep contributing to your 401(k), not as long as you might think. Vanguard found that the median account balance for its 401(k) participants who kept investing from Sept. 30, 2007, to Sept. 30, 2009, rose 7%. Younger workers, whose balances were smaller in '07 and so benefited most from those contributions, saw huge jumps—290% for those under age 25 and 62% for those 25 to 34.

PERCENT OF CONTINUOUS PARTICIPANTS	CHANGE IN ACCOUNT BALANCE
60%	Positive or no change
14	-1% to -10%
14	-11% to -20%
11	-21% to -30%
2	More than -30%

Data: Vanguard Center For Retirement Research